

Increase Access to Capital

Aon's Innovative Intellectual Property-Based Lending Solution Offers an Opportunity to Unlock the Value of Intangible Assets

When raising capital, traditionally companies have two options: selling equity in the business (and potentially diluting ownership and/or reducing control), or borrowing based on the strength of the balance sheet, including using hard assets as collateral. For innovation-driven middle market businesses, incurring debt is often not a viable option so issuing equity – and further diluting ownership – may be the only alternative.

Now, there's an alternative way to access debt capital – which is typically less expensive – and avoid diluting company ownership. Aon's IP-Backed Lending provides the opportunity to use intangible property (IP) as collateral for asset-based loans. This offers the potential to unlock a valuable, and previously untapped, source of capital.

How IP-Based Lending Works

Aon has built, and continues to expand, a pipeline of lenders who are interested in issuing IP-collateralized loans and is positioned to introduce prospective buyers to those lenders.

The lender may separately engage a licensed broker within Aon Commercial Risk Solutions to arrange collateral protection insurance to help protect the lender's downside risk. Aon IP Solutions uses a proprietary analytics platform to efficiently and accurately assess and value the quality of a potential borrower's intangible assets and shares that information with a panel of carriers managed by Aon Underwriting Managers (Bermuda) who evaluate such information as part of their insurance underwriting process.

Sourcing & Screening

The lender will target early growth-stage companies in innovation-led industries through our proprietary AI-enabled, heuristically-driven algorithms – targeting only the highest scoring and well qualified firms.

Valuation

Aon IP Solutions collect and analyze additional detailed financial and IP data to perform a comprehensive intellectual property assessment and enterprise valuation, which is submitted to the insurance panel to evaluate in connection with a lenders' request for collateral protection insurance.

Is IP-Based Lending an Option for You?

- Do you have a portfolio of IP assets inclusive of patents, trademarks, trade secrets, knowhow, data rights, copyrights?
- Do you have revenue or a contracted path to revenue?
- Have you been successful in a previous equity raise?
- Is there a strong relationship between IP and revenue?
- Is your IP relatively unencumbered?

Learn More

For more information about Aon IP-Based Lending, please contact your Aon representative or email intellectualproperty@aon.com.

Insure & Close

A licensed broker within Aon Commercial Risk Solutions is positioned to serve as the lender's broker to arrange collateral protection insurance on the IP assets, which may be a prerequisite for any loan closing.

The Aon Advantage: Helping Protect Assets and Create Enterprise Value

Aon's Intellectual Property Solutions team helps clients identify, protect and maximize value from their most valuable assets in today's business world, their intellectual property. Aon brings the best minds and strong analytical tools to provide a comprehensive approach to intellectual property strategy, valuation and risk management across a client's business—aligning current and future intellectual property assets with a businesses' overarching strategy.

About Aon

Aon plc (NYSE:AON) is a leading global professional services firm providing a broad ranges of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance.

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